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March 15, 1978

وزارة الخارجية
سفارة المملكة العربية السعودية في واشنطن
ROYAL EMBASSY OF SAUDI ARABIA
WASHINGTON, D.C. 20036

COPY OF LETTER FROM
AMBASSADOR ALI A. ALIREZA
TO EACH MEMBER OF U.S. SENATE
AND HOUSE OF REPRESENTATIVES

I would like to bring to your personal attention the enclosed statement on the pending sale of F-15 aircraft to Saudi Arabia. The following are certain of the key points in the statement:

*Saudi Arabia has a pressing need to replace its rapidly aging, British-made defense fighter planes.

*The Kingdom's decision to place an order at this time for the necessary replacements is required because of the long lead time before delivery of the planes, which would not occur until late 1981 at the earliest and with full defense capability not reached until over a half decade from now.

*The American commitment to meet Saudi Arabia's legitimate defense needs with F-15s was made in 1975, endorsed by President Ford in 1976, and reaffirmed, after independent study, by President Carter in 1977 and 1978.

Saudi Arabia possesses 25% of the world's proven oil reserves and has a special responsibility to itself and to the Free World to assure the protection of this strategic resource. The Kingdom's commitment to moderation in international economic and political affairs - including specifically in the Middle East, petroleum production and pricing, and international financial matters - and Saudi Arabia's firm opposition to the spread of communism have exposed it to increasing potential danger from extremist forces. Those forces have emerged from a number of different directions, including most recently in the Horn of Africa and the bordering state of the People's Democratic Republic of Yemen.

Over the course of the last forty years and especially in the mid-1970s, the United States and Saudi Arabia have come to share a special relationship on a broad range of basic matters, including particularly the following:

a. Trade, with Saudi purchases from the United States approaching $5 billion in the current year and agreements with American firms for goods, services and projects beyond that already exceeding $25 billion.

b. The overall economic development and well being of both countries --- Saudi Arabia, for instance, supplies almost a tenth of all the oil now being used by Americans, and in turn looks to the U.S. for much of the know-how, equipment and technology which it needs for its development program.

c. The health of the international economy, including most recently maintenance of the strength of the dollar.

d. The assuring of moderation and stability in the Middle East.

e. Essential support for the non-communist coalition of nations, including not only western Europe, Japan and other developed nations but also developing countries, to which Saudi Arabia devotes 15% of its annual income in the form of aid and interest-free loans.

Saudi Arabia is prepared to purchase the 60 F-15s both for its own defense and to protect vital interests of the United States and the Free World. I trust you will give this matter your earnest consideration, and I would be glad to talk with you about it more fully at your convenience.

Sincerely,

AMBASSADOR ALI A. ALIREZA

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STATEMENT REGARDING THE PROPOSED SALE OF F-15s TO SAUDI ARABIA

President Carter has announced his intention to authorize the sale of 15 F-15 fighter aircraft and 75 F-16s to Israel, 60 F-15s to Saudi Arabia, and 50 F-5s to Egypt.

This statement sets forth the principal reasons why the proposed sale of F-15s to Saudi Arabia is necessary to meet its legitimate defense needs and is in the mutual best interests of the United States and the Kingdom.

HISTORY OF THE PROPOSED SALE

In 1974 a U.S. Department of Defense study team, as part of an ongoing program, recommended that Saudi Arabia acquire advanced air defense aircraft to replace its aging British-made Lightning interceptors. In 1975 the U.S. Department of Defense invited a study team of Saudi experts to come to the U.S. to evaluate the F-14s, F-15s, F-16s and F-18s. Upon the recommendation of the Saudi study team, the Kingdom determined that the F-15 was the preferred plane for its defense purposes.

As noted by President Carter in his press conference of March 9, 1978, commitments to provide Saudi Arabia with advanced aircraft were made in the Fall of 1975. The proposed sale was approved by President Ford and subsequently, after independent review, was reaffirmed by President Carter in personal meetings with Crown Prince Fahd in May, 1977 and with His Majesty King Khalid in January, 1978. The Carter Administration proposal contemplates that delivery to Saudi Arabia of the F-15s would not commence until late 1981.

In announcing the decision to sell 60 F-15s to Saudi Arabia, Secretary Vance stated, "The Saudi government has a legitimate requirement to modernize its very limited air defense," and "Saudi Arabia is of immense importance in promoting a course of moderation in the Middle East...and more broadly in world affairs, as in petroleum and financial policy."

WHY THE F-15?

The Oil Fields

Saudi Arabia contains 25% of the world's proven oil reserves. As the level of sophistication of weapons available to potential aggressors increases and as the strategic importance of Saudi Arabia's oil fields both to the Kingdom and to the Free World becomes even more apparent, Saudi Arabia must have the most advanced defensive system which it may be called upon to deploy. The F-15 represents such a system. Neither Saudi Arabia, the United States nor the non-communist world as a whole can afford to take the risk of the Kingdom being inadequately prepared to protect its borders and oil fields.

Moderation in the Middle East

Saudi Arabia's commitment to moderation in international economic and political affairs, the constructive role it has played in the Middle East and Africa, and its firm opposition to the spread of communism in the region have exposed the Kingdom to increasing hostility from extremist forces. Those forces have recently been active in areas in close proximity to Saudi Arabia including the Horn of Africa, the Arabian Peninsula itself, the Saudi border state of the People's Democratic Republic of Yemen, and elsewhere.

The countries to which the communist and other extremist efforts are directed are strategic points from which they may attempt to control the petroleum resources of the Peninsula and the necessary sea lanes in the Gulf, the Arabian Sea, the Gulf of Aden and the Red Sea -- all of which are essential to the strategic capabilities of the Free World.

Suitability for Saudi Defense

The Kingdom's present determination to give priority to the economic and social advancement of its people requires the utilization of practically all of its human resources for development purposes. Because of this fact as well as Saudi Arabia's modest population, large land mass (an area as large as the United States east of the Mississippi River) and small size of its armed forces, it must rely on sophis-

ticated modern weapons such as the F-15 to defend itself.

The fact that Saudi Arabia is not under imminent threat of attack should not encourage a relaxation of vigilence. Past history and current events in the Horn of Africa demonstrates clearly that potential aggressors quickly can become immediate threats. By providing both the equipment and the personnel to operate it, the communist forces could alter the resolve and the capability of a number of regimes in the region overnight. In fact, there has recently been a substantial buildup of sophisticated communist weapons in nearby countries.

THE U.S.-SAUDI RELATIONSHIP

Beginning with the Kingdom's cooperation with the Allied forces in World War II and for over thirty years thereafter, Saudi Arabia and the United States have shared many common foreign policy objectives. That long-term commonality of interests has created the basis of understanding from which all other aspects of the U.S.-Saudi special relationship have evolved.

The United States has long been Saudi Arabia's largest trading partner. Saudi purchases from the U.S. have grown from $1.5 billion as recently as 1975 to $3.6 billion in 1977 and are expected to approach $5 billion in 1978. Currently U.S. companies have a backlog of orders for projects in Saudi Arabia worth over $25 billion. The continued substantial use of American know-how, equipment and technology in implementing Saudi Arabia's development program will serve to reinforce the relationship between the two nations for decades to come.

Saudi Arabia is the largest exporter of oil to the United States providing almost a tenth of all the oil used by Americans. In order to satisfy the requirements of the Free World, Saudi Arabia is producing far more oil than it requires to finance its domestic development program and to meet its foreign aid obligations (including cost free loans to developing countries). As an example of the latter, the Kingdom is allocating over 15% of its gross annual income to foreign aid.

Saudi Arabia's holdings of substantial foreign currency reserves, which are a direct result of this excess production, have been invested in a constructive manner which supports U.S. economic interests. The vast majority of those investments are in U.S. dollar denominated securities and a substantial portion represent holdings of U.S. government, U.S. government agency and U.S. corporate debt. In addition, Saudi Arabia has consistently supported the retention of the U.S. dollar as the pricing medium for oil.

The U.S.-Saudi relationship is not only political, economic and military -- it is individual and personal. There are over 30,000 Americans now living in Saudi Arabia. There are 10,000 young Saudis attending colleges or graduate schools in the U.S. and half of the Kingdom's Council of Ministers received an important part of their advanced academic training in the United States.

MILITARY CONSIDERATIONS

The United States first agreed to provide military training and assistance to Saudi Arabia in 1944. Throughout the intervening years, U.S. Department of Defense personnel have worked with their Saudi counterparts to assess Saudi Arabia's legitimate defense needs and to help meet those on an ongoing basis. Saudi Arabia bears the full cost of all military equipment and training provided by the United States.

Saudi Arabia recognizes that its purchase of F-15s is subject to the condition that their transfer to any third party without prior approval of the U.S. Government is prohibited. As a practical matter, because of the special technology of the F-15s, supplier control is a major continuing factor in terms of spare parts, airfield and support equipment requirements, special pilot and ground crew training and other considerations.

As the New York Times pointed out in an editorial supporting the proposed sale (2/16/78), fear of transfer of F-15s to other states is "unwarranted" since it requires a "formidable array of ground equipment and is not easy to fly. Even pilots who might master it could not handle its weapons systems without scores of hours in expensive ground simulators. And it would be virtually impossible to train other nations' pilots in Saudi Arabia without American and Israeli detection."

President Carter stated in his February 18, 1978, press conference that in the pending plane sale the U.S. is "not introducing new weapons" in the Middle East (deliveries of 25 F-15s to Israel have already started and it will receive 15 more in the proposed sale as well as 75 ground attack F-16s), and the proposed sale will not prevent him from achieving his goal of reducing the amount of arms sales each succeeding year. The Administration has further stated that sale of the 60 F-15s to Saudi Arabia would not alter the strategic balance in the Middle East.

There has been public reference to the F-15s in relation to Saudi Arabia's Tabuk military base which has

existed since before World War II. An air defense capability was established there several years ago in order to protect the military base. As noted by Secretary Vance in Congressional testimony on March 9, 1978, the F-15s are of sufficient importance militarily that they would not be placed at an advance base like Tabuk where they would constitute an inviting target.

Although delivery to Saudi Arabia of the F-15s is not scheduled to begin until late 1981, a postponement of the decision on the sale would be extremely harmful because it would be taken as a sign by communists and radicals that the U.S. was reconsidering its support for Saudi Arabia. Moreover, since the Kingdom's obsolescent Lightnings must in any event be replaced, Saudi Arabia would be forced to consider alternatives, including the purchase elsewhere of existing sophisticated aircraft and the possibility of helping to finance the development by someone else of advanced aircraft comparable to the F-15.

CONCLUSION

Saudi Arabia needs the 60 F-15 planes both for its defense and for protection of the vital interests of the United States and the Free World. It believes strongly that the sale of the 60 F-15s to Saudi Arabia is in the fundamental economic and strategic interest of both nations and the larger concerns and responsibilities they share.

AMBASSADOR ALI A. ALIREZA